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Proposed programme budget for the biennium 2010-2011*

Income section 3
Services to the public

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* A summary of the approved programme budget will subsequently be issued as *Official Records of the General Assembly, Sixty-fourth Session, Supplement No. 6* (A/64/6/Add.1).

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Overview

Table IS3.1 **Estimates of income and expenditure**[a]

Regular budget	
Proposal submitted by the Secretary-General	
Gross revenue	$41,278,600
Gross expenditure (including recosting)	$40,896,300
Net revenue	$382,300
2008-2009 approved estimates	
Gross revenue	$45,387,900
Gross expenditure (including recosting)	$43,408,000
Net revenue	$1,979,900

[a] At 2008-2009 rates.

Table IS3.2 **Proposed staffing resources**

Posts	*Number*	*Level*
Regular budget		
Proposed posts for the biennium 2010-2011	89	2 P-5, 6 P-4, 4 P-3, 3 P-2/1, 9 GS (PL), 63 GS (OL), 2 SS
Redeployments	1	1 P-4 from Geneva to New York under Sale of publications
Abolitions	8	1 GS (PL) and 7 GS (OL) under Sale of publications
Approved for the biennium 2008-2009	97	2 P-5, 6 P-4, 4 P-3, 3 P-2/1, 10 GS (PL), 70 GS (OL), 2 SS

Abbreviations: GS, General Service; PL, Principal level; OL, Other level; SS, Security Service.

IS3.1 The activities provided under this section respond to objectives of various programmes of the strategic framework for the period 2010-2011 (A/63/6/Rev.1). These include subprogramme 4, Support services, of programme 24, Management and support services, through the sale of philatelic and gift items; subprogramme 1, Strategic communication services, in promoting an understanding of the Organization's work through guided tours, lectures/briefings, seminars and special events, and subprogramme 3, Outreach and knowledge-sharing services, through the sale of United Nations publications, both under programme 23, Public information; and subprogrammes 5, Statistics, and 6, Population, of programme 7, Economic and social affairs, through the sale of statistical and demographic-related products. Other activities under this section that are not individually addressed in the strategic framework are essentially revenue-producing activities and relate to the garage, the news-stand, catering and other commercial activities.

IS3.2 As indicated in the annual progress reports of the Secretary-General on the implementation of the capital master plan, the latest of which is the sixth annual progress report (A/63/477), the renovation work will have a negative impact on programmes that depend on a flow of visitors to the site in New York, as access will be restricted during the renovation, and that outreach activities

for visitors and non-governmental organizations, retail services, exhibits, full dining facilities, many staff and delegate services, receptions and special events in New York would be limited or not be possible during the renovation in their present scope. As such, many of these activities will need to be significantly curtailed. The activities impacted will be guided tour operations, postal administration, gift centre, bookshop, catering, and news-stand operations in New York. Based on current construction plans, the proposed programme budget for the biennium 2010-2011 assumes that these operations will be affected throughout the biennium 2010-2011.

IS3.3 The two largest operations, sales of philatelic items and publications, are still largely affected by market realities. The revenue level from the operations of the United Nations Postal Administration appears to have stabilized, after a continuous decline over a number of years in the philatelic industry owing to the ageing and reduced size of the collector base. Following a comprehensive operational review, the United Nations Postal Administration has been restructured, becoming more efficient and cost-effective, with signs of a more positive trend in the level of revenues. The level of sales of publications is expected to continue to be affected by the global economic downturn. To address the situation, the Sales of Publications area of the Department of Public Information has also been restructured and streamlined resulting in reduction of the operational costs and the abolition of a number of posts.

IS3.4 It is anticipated that projected combined net revenue in respect of all services to the public for the biennium 2010-2011 ($382,300) would reflect a decrease of $1,597,600 in comparison with the estimated net income of $1,979,900 for the biennium 2008-2009, as shown in table IS3.4. The decrease is largely attributable to: (a) decreases in services to visitors, catering operations, gift and news-stand items, garage operation and philatelic operations owing to the impact of the capital master plan at Headquarters; (b) the introduction of visitor services at Nairobi, which is not expected to generate a profit during the initial years; and (c) a decrease in sale of publications.

IS3.5 With regard to expenditures, eight posts (1 General Service (Principal level) and 7 General Service (Other level)) posts are proposed for abolition under the Sale of United Nations publications in Geneva as part of the restructuring and streamlining of the operation. Further, a P-4 post under the Sale of United Nations publications in Geneva is proposed for redeployment to New York, where this operation is intended to be concentrated.

IS3.6 The operations, which are carried out at Headquarters, Geneva, Vienna, Addis Ababa, Bangkok and Nairobi, are directed by the following organizational units: the Department of Public Information, the Department of Economic and Social Affairs, the Office of Central Support Services, the Office of Programme Planning, Budget and Accounts, the United Nations Office at Geneva, the United Nations Office at Vienna, the United Nations Office at Nairobi, the Economic Commission for Africa, and the Economic and Social Commission for Asia and the Pacific.

IS3.7 Pursuant to General Assembly resolution 58/269, resources identified for the conduct of self-monitoring and evaluation would amount to $53,100, and would provide for self-monitoring and evaluation of the second component, Sale of United Nations publications, of this budget section. These resources from the regular budget are equivalent to approximately 2.5 work-months of Professional staff and one half of a work-month of General Service staff.

IS3.8 The percentage distribution of the total gross revenue and expenditures for services to the public during the biennium 2010-2011 is shown in table IS3.3.

Table IS3.3 **Distribution of resources by component**

(Percentage)

Component	Income	Expenditure
A. Programme of work		
1. United Nations Postal Administration operations	36.5	34.8
2. Sale of United Nations publications	29.8	29.7
3. Services to visitors	19.7	23.1
4. Revenue services of the Department of Economic and Social Affairs	3.5	2.2
5. Sale of gift items	1.2	—
6. News-stand operations	0.1	—
7. Garage operations	4.6	4.0
8. Catering operations	1.5	2.4
9. Other commercial operations	3.1	1.9
B. Programme support		
Revenue Accounts Unit	—	1.9
Total	**100.0**	**100.0**

Table IS3.4 **Summary by individual activity: estimates of gross and net revenue (after recosting)**

(Thousands of United States dollars)

	2008-2009 approved estimates	*2010-2011 estimates*	*2010-2011 increase (decrease)*
A. Programme of work			
1. United Nations Postal Administration operations			
Gross revenue	13 916.2	15 033.4	1 117.2
Less expenses against revenue	13 211.4	14 068.2	856.8
Net revenue	704.8	965.2	260.4
2. Sale of United Nations publications			
Gross revenue	17 083.3	12 304.0	(4 779.3)
Less expenses against revenue	16 811.3	12 286.5	(4 524.8)
Net revenue	272.0	17.5	(254.5)
3. Services to visitors			
Gross revenue	6 423.0	8 110.5	1 687.5
Less expenses against revenue	8 095.1	9 445.5	1 350.4
Net revenue	(1 672.1)	(1 335.0)	337.1
4. Revenue services of the Department of Economic and Social Affairs			
Gross revenue	1 382.6	1 500.0	117.4
Less expenses against revenue	793.6	925.9	132.3
Net revenue	589.0	574.1	(14.9)
5. Sale of gift items			
Gross revenue	1 000.0	500.4	(499.6)
Less expenses against revenue	—	—	—
Net revenue	1 000.0	500.4	(499.6)
6. News-stand operations			
Gross revenue	68.0	40.2	(27.8)
Less expenses against revenue	—	—	—
Net revenue	68.0	40.2	(27.8)

	2008-2009 approved estimate	2010-2011 estimate	2010-2011 increase (decrease)
7. Garage operations			
Gross revenue	2 705.0	1 893.8	(811.2)
Less expenses against revenue	1 480.1	1 622.2	142.1
Net revenue	1 224.9	271.6	(953.3)
8. Catering operations			
Gross revenue	1 560.1	619.9	(970.2)
Less expenses against revenue	1 544.8	981.6	(563.2)
Net revenue	45.3	(361.7)	(407.0)
9. Other commercial operations			
Gross revenue	1 219.7	1 276.4	56.7
Less expenses against revenue	708.8	766.2	57.4
Net revenue	510.9	510.2	(0.7)
B. Programme support			
Revenue Accounts Unit (expenses against revenue)	762.9	800.2	37.3
Total gross revenue	45 387.9	41 278.6	(4 109.3)
Less total expenses against revenue	43 408.0	40 896.3	(2 511.7)
Total net revenue	**1 979.9**	**382.3**	**(1 597.6)**

Table IS3.5 **Resource requirements by component**

(Thousands of United States dollars)

Regular budget

Component[a]	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
1. United Nations Postal Administration operations	9 941.2	13 377.4	370.7	2.8	13 748.1	320.1	14 068.2
2. Sale of United Nations publications	13 780.7	16 811.3	(5 083.4)	(30.2)	11 727.9	558.6	12 286.5
3. Services to visitors	7 529.2	9 518.6	(401.6)	(4.2)	9 117.0	328.5	9 445.5
4. Revenue services of the Department of Economic and Social Affairs	710.1	793.6	89.6	11.3	883.2	42.7	925.9
5. Garage operations	1 147.0	1 578.8	(8.5)	(0.5)	1 570.3	51.9	1 622.2
6. Catering operations	1 482.6	1 544.8	(608.9)	(39.4)	935.9	45.7	981.6
7. Other commercial operations	652.2	708.8	22.9	3.2	731.7	34.5	766.2
8. Revenue Accounts Unit	783.1	762.9	—	—	762.9	37.3	800.2
Total	**36 026.0**	**45 096.2**	**(5 619.2)**	**(12.5)**	**39 477.0**	**1 419.3**	**40 896.3**

[a] The Headquarters gift shop and news-stand are operated by a contractor and concessionaire, respectively.

Table IS3.6 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Regular budget

Object of expenditure	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
Posts	15 759.1	23 396.8	(3 092.8)	(13.2)	20 304.0	643.4	20 947.4
Other staff costs	7 436.0	6 837.6	(623.6)	(9.1)	7 461.2	262.7	7 723.9
Non-staff compensation	—	64.6	(64.6)	(100.0)	—	—	—
Consultants and experts	25.3	24.5	(17.5)	(71.4)	42.0	2.0	44.0
Travel of staff	372.1	402.4	24.5	6.1	426.9	20.9	447.8
Contractual services	3 998.9	5 176.7	(1 064.0)	(20.6)	4 112.7	183.4	4 296.1
General operating expenses	3 244.7	3 834.7	(624.2)	(16.3)	3 210.5	127.8	3 338.3
Hospitality	0.1	8.4	(4.9)	(58.3)	3.5	0.1	3.6
Supplies and materials	372.2	520.2	(49.1)	(9.4)	471.1	13.9	485.0
Furniture and equipment	512.6	728.8	(348.0)	(47.7)	380.8	16.2	397.0
Improvement of premises	60.9	—	—	—	—	—	—
Grants and contributions	148.0	139.0	76.0	54.7	215.0	10.4	225.4
Cost of goods sold	4 096.0	3 962.5	(1 113.2)	(28.1)	2 849.3	138.5	2 987.8
Total	**36 026.0**	**45 096.2**	**(5 619.2)**	**(12.5)**	**39 477.0**	**1 419.3**	**40 896.3**

Table IS3.7 **Post requirements**

Category	*Established regular budget posts*		*Temporary posts*					
			Regular budget		*Extrabudgetary*		*Total*	
	2008-2009	*2010-2011*	*2008-2009*	*2010-2011*	*2008-2009*	*2010-2011*	*2008-2009*	*2010-2011*
Professional and above								
P-5	2	2	—	—	—	—	2	2
P-4/3	10	10	—	—	—	—	10	10
P-2/1	3	3	—	—	—	—	3	3
Subtotal	**15**	**15**	—	—	—	—	**15**	**15**
General Service								
Principal level	10	9	—	—	—	—	10	9
Other level	70	63	—	—	—	—	70	63
Subtotal	**80**	**72**	—	—	—	—	**80**	**72**
Other								
Security Service	2	2	—	—	—	—	2	2
Subtotal	**2**	**2**	—	—	—	—	**2**	**2**
Total	**97**	**89**	—	—	—	—	**97**	**89**

A. Programme of work

IS3.9 Pursuant to the objectives of subprogramme 4, Support services, of programme 24, Management and support services, of the strategic framework for the biennium 2010-2011, as revised, the Office of Central Support Services provides the management and coordination of the following activities: the United Nations Postal Administration and, at Headquarters, the gift shop, the news-stand, catering and garage operations. The Office will continue to promote greater awareness of the aims and activities of the United Nations and maximize the effectiveness of its revenue-producing operations.

IS3.10 Pursuant to the objectives of programme 23, Public information, of the strategic framework for the biennium 2010-2011, the Department of Public Information provides coordination and management of the sale of United Nations publications, as well as of the services to United Nations visitors. The objective of these activities is to provide the widest possible dissemination of information about the United Nations to the general public while providing net revenue for the Organization.

IS3.11 Pursuant to the objectives of subprogramme 5, Statistics, and subprogramme 6, Population, of programme 7, Economic and social affairs, of the strategic framework for the biennium 2010-2011, the Department of Economic and Social Affairs disseminates its collection of statistical and population data to national institutions.

1. United Nations Postal Administration operations

Table IS3.8 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	[illegible] approved estimate	2010-2011 estimate	[illegible] increase/(decrease)
Gross sales	15 108.4	15 720.3	611.9
Less			
(a) Payments for mail carrying and cancellation charges	672.3	668.6	(3.7)
(b) Refunds, adjustments and commissions	519.9	18.3	(501.6)
Gross revenue	13 916.2	15 033.4	1 117.2
Less expenses against revenue	13 211.4	14 068.2	856.8
Net revenue	**704.8**	**965.2**	**260.4**

Table IS3.9 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Object of expenditure	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
Posts	5 894.6	8 691.2	—	—	8 691.2	173.0	8 864.2
Other staff costs	1 473.3	1 655.8	200.5	12.1	1 856.3	46.6	1 902.9
Non-staff compensation	—	64.6	(64.6)	(100.0)	—	—	—
Travel of staff	92.1	113.1	—	—	113.1	5.6	118.7
Contractual services	1 633.8	1 582.6	76.5	4.8	1 659.1	66.6	1 725.7
General operating expenses	634.5	932.1	196.9	21.1	1 129.0	26.8	1 155.8

Object of expenditure	2008-2009 expenditure	2008-2009 appropriation	Resource growth		Total before recosting	Recosting	2010-2011 estimate
			Amount	Percentage			
Hospitality	0.1	0.9	—	—	0.9	(0.1)	0.8
Supplies and materials	186.6	224.6	—	—	224.6	2.0	226.6
Furniture and equipment	26.2	112.5	(38.6)	(34.3)	73.9	(0.4)	73.5
Total	**9 941.2**	**13 377.4**	**370.7**	**2.8**	**13 748.1**	**320.1**	**14 068.2**

Table IS3.10 **Post requirements**

Category	Established regular budget posts		Temporary posts					
			Regular budget		Extrabudgetary		Total	
	2008-2009	2010-2011	2008-2009	2010-2011	2008-2009	2010-2011	2008-2009	2010-2011
Professional and above								
P-5	1	1	—	—	—	—	1	1
P-4/3	1	1	—	—	—	—	1	1
Subtotal	**2**	**2**	**—**	**—**	**—**	**—**	**2**	**2**
General Service								
Principal level	6	6	—	—	—	—	6	6
Other level	32	32	—	—	—	—	32	32
Subtotal	**38**	**38**	**—**	**—**	**—**	**—**	**38**	**38**
Total	**40**	**40**	**—**	**—**	**—**	**—**	**40**	**40**

IS3.12 In line with the objectives of subprogramme 4, Support services, of programme 24, Management and support services, of the strategic framework for the biennium 2010-2011, the United Nations Postal Administration will continue to publicize the work and achievements of the United Nations and the specialized agencies through philatelic sales.

IS3.13 In recent years, the operations have been consolidated into two entities, the United Nations Postal Administration, New York office, and the United Nations Postal Administration, European office, located in Vienna. Responsibility for the two offices is vested with the Office of the Chief, Commercial Activities Service of the Office of Central Support Services in New York. During the biennium 2010-2011, the United Nations Postal Administration will continue to review its business activities to further streamline operations and will remain proactive in maintaining its market share by developing new products and launching new market initiatives.

IS3.14 A major marketing initiative in the biennium 2010-2011 will be the participation of the United Nations Postal Administration in the United Nations pavilion at the 2010 World Expo, to be held in Shanghai, China, with a special personalized stamp issue to mark the event. Personalized stamps, which have been a successful initiative in New York, have been introduced in the European market with great success with stamps denominated in euro and Swiss franc currencies to appeal to the collectors in this region.

IS3.15 The United Nations Postal Administration will also continue to represent the Organization at a number of major stamp exhibitions throughout the world to increase the public awareness of United Nations philatelic products and meet the outreach objectives of the Organization. New marketing initiatives are expected to compensate for some downward trends in the traditional

subscription sales market, which has been affected by the global economic downturn with collectors purchasing lower number of stamps than in prior years.

IS3.16 The overall gross revenue for the biennium 2010-2011 is projected at $15,033,400. The projection is based on an anticipated yearly increase in United States stamp rates, the effect of the introduction of personalized stamps denominated in the European currency of Vienna and Geneva, and the expected product sales at the World Expo in Shanghai, China, which will be a six-month selling opportunity.

IS3.17 The implementation of the capital master plan operations, which may result in the discontinuation of the United Nations tours and closure of the visitor area, would affect the retail post office counter sales and personalized stamp sales.

IS3.18 The administrative functions of the United Nations Postal Administration in Geneva were transferred to Vienna in 2006, and only a sales counter is maintained at the Palais des Nations in Geneva. The United Nations Postal Administration continues its cooperation with national postal administrations, and past experience has proven such cooperation to be the most effective tool for attracting new customers. The two offices of the United Nations Postal Administration located in New York and Vienna hold regular coordination meetings.

Outputs

IS3.19 During the biennium 2010-2011, the following outputs will be delivered:

(a) Other substantive activities: printing of philatelic materials. Issuance of United Nations postage stamps and postal stationary, including the subject, design and quantity to be printed; security and archival safe keeping of postal stocks; liaison with the postal authorities of the United States of America, Switzerland, Austria and other countries regarding postal and philatelic regulations and procedures; liaison with the Universal Postal Union regarding philatelic and postal regulations and procedures; and participation in activities of the World Association for the Development of Philately;

(b) Administrative support services: marketing. Examination and introduction of new concepts in management and marketing approaches to increase gross sales, such as personalized special event stamps, "fun packs", special "exhibit issues" and attendance at the World Expo in China.

Resource requirements (before recosting)

Posts

IS3.20 The provision of $8,691,200 would provide for the salaries and common staff costs as well as staff assessment for the continuation of the posts shown in table IS3.10 above, of which 22 posts, including 1 P-5, 3 General Service (Principal level) and 18 General Service (Other level) would be located in New York, and 18 posts, including 1 P-4, 3 General Service (Principal level) and 14 General Service (Other level) would be located in Vienna.

Other staff costs

IS3.21 The provision of $1,856,300, including an increase of $200,500, would provide for: (a) engaging the services of hourly paid workers to perform order processing and preparation of philatelic material for dispatch from Headquarters and the European office; (b) overtime required during stamp exhibitions, the sale of first day of issue stamps, and other periods of peak workload for the Postal Administration as a whole; and (c) personal service contractors for the operation of a post office shop at the World Expo in Shanghai, China, in 2010 for six months during which launch and

sale of new stamps commemorating the work of the United Nations, and a stamp design competition would be carried out. The increase of $200,500 reflects the estimated additional requirements relating to the participation of the United Nations Postal Administration at the World Expo 2010 in Shanghai, China.

Travel of staff

IS3.22 The provision of $113,100 would cover the cost of travel of the staff of the United Nations Postal Administration in New York ($52,300) and Vienna ($60,800) for promotional and representational activities with respect to representation at major international philatelic shows, maintaining contact with the Universal Postal Union and other international and national philatelic organizations aimed at developing new marketing and sales sources for the distribution of United Nations postage stamps. The provision would also cover the cost of travel to participate at the United Nations pavilion for the World Expo 2010 in Shanghai, China, as well as the London 2010 exhibition.

Contractual services

IS3.23 The provision of $1,659,100, including an increase of $76,500, would cover: (a) the consolidated cost of printing of stamps ($1,000,000) for both United Nations Postal Administration offices; (b) the overall programme for advertising and promotional activities ($547,300); (c) contractual services of stamp artists ($92,300); and (d) central data processing services ($19,500). The increase of $76,300 largely reflects (a) the redeployment of resources provided previously under honoraria for services of stamp artists to this object group to realign the expenditure with the nature of service; and (b) the participation of the United Nations Postal Administration in the World Expo 2010 in Shanghai, China.

General operating expenses

IS3.24 The provision of $1,129,000, including an increase of $196,900, would provide for maintenance of furniture and equipment and office automation equipment; communications costs; miscellaneous services, including stamp affixing and insurance requirements and the cost of stock delivery to dealers and of promotional mailings, envelopes, posters and circulars; and rental maintenance of data processing equipment, including the development and commissioning of a new e-commerce website, and maintenance of the Mega Stamp Computer system. The increase of $196,900 reflects the estimated additional requirement for developing an e-commerce website, and the frequency of maintenance required to keep the Mega Stamp Computer system in operational condition.

Hospitality

IS3.25 The provision of $900 is required to cover the cost of official functions in the context of promotional activities with philatelic associations and government officials as part of the marketing strategy.

Supplies and materials

IS3.26 The provision of $224,600 would cover the cost of office supplies, customer statements and other materials.

Furniture and equipment

IS3.27 The provision of $73,900, including a decrease of $38,600, would provide for the replacement of office equipment in the United Nations Postal Administration offices. The decrease of $38,600

reflects the condition of existing inventory and the cycle followed for replacement of office automation equipment.

2. Sale of United Nations publications

Table IS3.11 **Estimates of gross and net revenue by organizational unit**

(Thousands of United States dollars)

	2008-2009 approved estimates	*2010-2011 estimates*	*2010-2011 increase (decrease)*
Headquarters			
Gross revenue	7 965.4	9 600.0	1 634.6
Less expenses against revenue	8 136.4	9 749.0	1 612.6
Net revenue	(171.0)	(149.0)	22.0
Bookshop, Headquarters			
Gross revenue	2 550.0	2 448.0	(102.0)
Less expenses against revenue	2 195.4	2 249.4	54.0
Net revenue	354.6	198.6	(156.0)
Geneva			
Gross revenue	6 567.9	256.0	(6 311.9)
Less expenses against revenue	6 479.5	288.1	(6 191.4)
Net revenue	88.4	(32.1)	(120.5)
Total gross revenue	17 083.3	12 304.0	(4 779.3)
Less total expenses against revenue	16 811.3	12 286.5	(4 524.8)
Total net revenue	**272.0**	**17.5**	**(254.5)**

Table IS3.12 **Estimates of gross and net revenue by object of expenditure**

Object of expenditure	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
Posts	5 576.8	7 293.3	(2 308.2)	(31.6)	4 985.1	231.9	5 217.0
Other staff costs	281.6	200.2	(113.1)	(56.5)	87.1	4.2	91.3
Consultants and experts	—	—	42.0	—	42.0	2.0	44.0
Travel of staff	105.7	98.6	—	—	98.6	4.8	103.4
Contractual services	2 135.1	3 219.7	(1 080.8)	(33.6)	2 138.9	103.7	2 242.6
General operating expenses	1 374.1	1 624.8	(212.8)	(13.1)	1 412.0	68.1	1 480.1
Hospitality	—	6.4	(3.8)	(59.4)	2.6	0.2	2.8
Supplies and materials	93.1	97.2	(21.2)	(21.8)	76.0	3.5	79.5
Furniture and equipment	118.2	308.6	(272.3)	(88.2)	36.3	1.7	38.0
Cost of goods sold	4 096.0	3 962.5	(1 113.2)	(28.1)	2 849.3	138.5	2 987.8
Total	**13 780.7**	**16 811.3**	**(5 083.4)**	**(30.2)**	**11 727.9**	**558.6**	**12 286.5**

Table IS3.13 **Post requirements**

Category	Established regular budget posts		Temporary posts: Regular budget		Temporary posts: Extrabudgetary		Total	
	2008-2009	2010-2011	2008-2009	2010-2011	2008-2009	2010-2011	2008-2009	2010-2011
Professional and above								
P-5	1	1	—	—	—	—	1	1
P-4/3	3	3	—	—	—	—	3	3
P-2/1	1	1	—	—	—	—	1	1
Subtotal	**5**	**5**	**—**	**—**	**—**	**—**	**5**	**5**
General Service								
Principal level	3	2	—	—	—	—	3	2
Other level	21	14	—	—	—	—	21	14
Subtotal	**24**	**16**	**—**	**—**	**—**	**—**	**24**	**16**
Total	**29**	**21**	**—**	**—**	**—**	**—**	**29**	**21**

IS3.28 The activities programmed under this heading relate to the objectives of subprogramme 3, Outreach and knowledge-sharing services, of programme 23, Public information, of the strategic framework for the period 2010-2011, which, inter alia, aim to enhance understanding of the role, work and concerns of the United Nations and to encourage the exchange of ideas, information and knowledge in support of the goals of the Organization. The subprogramme supports this objective by increasing readership of United Nations publications in all formats through the promotion and sale of United Nations publications, including general marketing and sale of reports, books, periodicals, documents, microfiched publications, databases, videos and CD-ROMs, as well as other electronic products. The activities, including the bookshop operation in New York and the book and gift shop operation in Geneva, are carried out by the Sales and Marketing Section of the Department of Public Information at Headquarters, and the Sales Unit at Geneva, respectively, under the direction of the Outreach Division of the Department of Public Information. The subprogramme also covers the external publications activities, with respect to arrangements with international commercial publishers to produce United Nations books, studies, documents and reports both in printed and electronic formats. A related aim of the subprogramme is to generate profit for the Organization without adversely affecting the widest possible free dissemination of United Nations information to the public.

IS3.29 The Publications Board, under the chairmanship of the Director, Outreach Division, Department of Public Information, has overall responsibility for the establishment and execution of the publications programme, including production, costing and determination of the policies governing the sale of published materials.

IS3.30 The programme of work for the biennium 2010-2011 reflects a significant restructuring of these activities in order to re-establish positive net revenues and to provide the basis for future growth. Recent declines in worldwide sales of United Nations publications, coupled with increasing operating costs, have lead to net losses. The decline in sales is in part due to the increasing competition from previously-for-sale publications and databases that are now made available free of charge on the Internet, trends in libraries to increase online collections at the expense of printed publications, and the disruption of bookshop activities as a result of security concerns both in New

York and Geneva. The reduction in the number of publications produced by the Organization has also been a factor, although this trend has recently stabilized.

IS3.31 In an effort to improve cost-effectiveness, the Sales and Marketing Section already incorporated in its programme budget for the biennium 2008-2009 the outsourcing of its warehouse and customer service activities. This would be completed in 2009. To further address the situation, a review of the sales programme was carried out. The recommendations resulting from the review, including a proposal for consolidation of the two sales operations, to strengthen marketing and sales operations, and to adequately resource an online platform, have been taken into account for the biennium 2010-2011. The main recommendation presented in this proposed programme budget includes consolidation of the two sales operations in New York and Geneva in anticipation of the economies of scale. Over the past two bienniums, the Sales Unit in Geneva has run at net loss. The same results are expected in the biennium 2008-2009.

IS3.32 The study has revealed that while managing different regions, the New York and Geneva offices have essentially mirrored each other's activities. Efficiencies can be gained by combining these activities. With customer service and warehousing outsourced, the remaining Geneva activities in the area of marketing, author department liaison and sales agent support will be transferred to New York. In New York, the Sales Office will be reorganized to reflect the change of activities. While the subprogramme has made advances in the sales of online products, it is recognized that the creation of electronic programmes similar to those run by the World Bank and the Organization for Economic Cooperation and Development would require additional resources and technical expertise. Staff that was primarily involved in order processing and customer service will, therefore, be retrained and redeployed to a new unit that will be set up to run online publications. The Unit will include both technical staff responsible for a new electronic platform, as well as sales staff responsible for sales of all electronic products, including existing online publications, such as UN-Comtrade. The Unit will be managed by an Electronic Product Development Officer at the P-4 level through redeployment of a P-4 post to New York from Geneva. The existing eight General Service posts would no longer be needed in Geneva and would be abolished.

IS3.33 The current Marketing Unit in New York will be retained and assigned with responsibility for worldwide marketing. Additional financial resources will be required for this Unit. However, savings from the closing of operations in Geneva will be utilized to cover those requirements. One major component of the upgrade of marketing services in New York will be the transfer of the e-commerce website to the Organization's enterprise e-commerce platform currently being used by the United Nations Postal Administration. This will allow for additional functionality to be added to the site as well as the benefits of economies of scale. Marketing plans for the biennium will also place greater emphasis on promotions to developing and least developed markets, where the recently introduced three-tier pricing policy will make United Nations publications affordable to more people. The activities of liaising with author departments and major sales agents will also be coordinated from New York using the existing staffing levels, as will the external publications programme.

IS3.34 It is proposed that the Geneva bookshop, which generates a profit, continues, although on a fully outsourced basis rather than the current partial model. The new arrangement would be similar to that of the United Nations Gift Shop in New York, by which a vendor pays a fee to the Organization based on the volume of sales made. This income would continue to be accounted for by the Geneva Sales Office through 2011. As the current contract for the shop runs through the end of 2009, this new arrangement would take effect in 2010. The New York bookshop will continue its operations in the General Assembly Building through the end of 2011, when it is scheduled to move to the North Lawn Conference Building. Projected sales under this programme for the biennium 2010-2011 reflect the fact that visitor traffic is expected to be reduced during the

renovation period and that most staff will be relocated to swing space locations. However, an emphasis will be placed on online sales and off-site promotions, which are expected to compensate for the reduction in direct customers.

Outputs

IS3.35 During the biennium 2010-2011 the following outputs will be delivered:

(a) Other substantive activities:

(i) Sale of United Nations publications, documents, reports, books, periodicals, videos, databases and other published materials;

(ii) Promotional activities: journal advertisements, direct marketing brochures, sales catalogues, Internet web pages, promotional exhibits at conferences and meetings, e-mail newsletters and other activities and products relating to the advertising and promotion of United Nations publications;

(iii) Development of United Nations publications and souvenir items with a general appeal that promotes the Organization and have revenue potential;

(b) Administrative support services:

(i) Supervision of the United Nations bookshop in New York and the gift shop in Geneva;

(ii) Readership surveys and market analysis aimed at providing author departments with feedback on their publications and assessing the effectiveness of promotional activities.

Resource requirements (before recosting)

Posts

IS3.36 The provision of $4,985,100, reflecting a decrease of $2,308,200, would provide salaries and common staff costs, as well as staff assessment, for the continuation of 21 posts as shown in table IS3.13 above. The decrease of $2,308,200 reflects the internal redeployment of a P-4 post from Geneva to New York and the abolition of eight posts, including a General Service (Principal level) and seven General Service (Other level) posts. The proposed complement of staff in the Sales and Marketing Section would be responsible for carrying out sales and promotional activities, product development, as well as the administration and management of the operation.

Other staff costs

IS3.37 The provision of $87,100, reflecting a decrease of $113,100, would provide for general temporary assistance for replacement staff during extended sick or maternity leave; overtime to cover priority or special sales and peak periods; and other personnel-related costs for the engagement of the services of individuals under special service agreements to undertake the evaluation of the subprogramme, including marketing studies, focus groups and surveys to assess the effectiveness of sales activities in reaching defined target markets. The decrease of $113,100 reflects the closing of the Geneva operation.

Consultants and experts

IS3.38 The provision of $42,000 represents estimated one-time requirements for the implementation of an information technology project relating to enhancing the New York operation e-commerce capabilities, particularly the work required to convert the existing system onto an e-commerce platform.

Travel of staff

IS3.39 The provision of $98,600 is required to cover the cost of travel of staff in connection with attendance at exhibits and planned visits to sales agents, universities and libraries worldwide and to market focus groups with a view to promoting and disseminating information about United Nations publications. The provision will also cover travel for the purpose of exhibiting the United Nations publications at professional and trade conventions, which continues to be an activity that is widely used by the publishing industry to promote publications and gain direct feedback from customers.

Contractual services

IS3.40 The provision of $2,138,900 is required to cover: (a) information technology services, including service level agreements, upgrading of internal systems such as cataloguing metadata and e-commerce to virtual machine servers, and maintenance and support of data security and credit card authentication used in relation to the e-commerce site ($250,100); (b) promotional programmes, including direct marketing, placement of advertisements in the media, publications catalogues, brochures and mini-catalogues, rental of exhibit space, Internet service fees and expenses related to sales promotions undertaken in conjunction with international sales agents ($657,100); and (c) provision for bookshop operations by outside contractors in New York and Geneva, and the provision of customer service, order fulfilment, and warehousing services ($1,231,700). The decrease of $1,080,800 reflects anticipated benefits resulting from the consolidation of the operation in New York.

General operating expenses

IS3.41 The provision of $1,412,000 would provide for general operating expenses for: (a) rental and maintenance of electronic data-processing, office automation and other equipment, including the cost of licence fees for the e-commerce software ($29,400); (b) communications requirements to cover pouch, postage and other mailing costs associated with sales operations at both Headquarters and Geneva ($620,600); and (c) requirements for miscellaneous services to cover freight costs, bank fees and other miscellaneous items ($762,000).

Hospitality

IS3.42 The provision of $2,600 is required to cover costs associated with the launching of new publications and an annual promotional reception for customers of United Nations publications.

Supplies and materials

IS3.43 A provision of $76,000 is required to cover electronic data-processing supplies, other office supplies, sales support materials such as customer packing slips, invoices, account statements, paper bags, carrier bags, wrapping paper, shipping boxes and exhibition kits. The decrease of $21,200 reflects the pattern of expenditure and anticipated benefits from the merger of the New York and Geneva sales operations.

Furniture and equipment

IS3.44 The provision of $36,300 would be required for the replacement of office furniture and automation equipment, including maintenance costs of a printer and a scanner. The decrease of $272,300 reflects the condition of the inventory of furniture and equipment and the cycle of replacement of office automation equipment.

Cost of goods sold

IS3.45 The provision of $2,849,300 is required to cover the costs of design, editing and production of publications, purchase of books and other publications from other United Nations agencies for resale, and the inventory requirements for both Headquarters and Geneva. Also included are the costs associated with marketing and development of electronic products and the maintenance and upgrading of those that are currently being offered for sale. The provision would also cover the development of publications of a more general nature, which promote the work of the Organization and are deemed to have strong sales potential, including products on specific events of the United Nations. The decrease of $1,113,700 reflects the adjustments based on the pattern of expenditures, and the anticipated scaling down of the bookshop operation at Headquarters during the renovation of premises.

3. Services to visitors

Table IS3.14 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2008-2009 approved estimates	*2010-2011 estimates*	*2010-2011 increase (decrease)*
Headquarters			
Gross revenue	5 702.6	6 470.7	768.1
Less expenses against revenue	5 413.9	6 482.0	1 068.1
Net revenue	288.7	(11.3)	(300.0)
Geneva			
Gross revenue	427.6	1 326.1	898.5
Less expenses against revenue	1 671.3	1 702.4	31.1
Net revenue	(1 243.7)	(376.3)	867.4
Vienna			
Gross revenue	292.8	313.7	20.9
Less expenses against revenue	787.4	849.1	61.7
Net revenue	(494.6)	(535.4)	103.1
Nairobi			
Gross revenue	—	—	—
Less expenses against revenue	222.5	412.0	189.5
Net revenue	(222.5)	(412.0)	(189.5)
Total gross revenue	6 423.0	8 110.5	1 687.5
Less total expenses against revenue	8 095.1	9 445.5	1 350.4
Total net revenue	**(1 672.1)**	**(1 335.0)**	**337.1**

Table IS3.15 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Object of expenditure	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
Posts	2 291.3	4 846.9	(792.4)	(30.6)	4 054.5	138.5	4 193.0
Other staff costs	4 921.6	4 065.8	495.5	12.2	4 561.3	166.8	4 728.1
Travel of staff	1.8	28.2	—	—	28.2	1.4	29.6

Object of expenditure	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
Contractual services	174.2	357.0	(102.1)	(28.6)	254.9	10.9	265.8
General operating expenses	40.2	43.2	(3.0)	(6.9)	40.2	1.3	41.5
Hospitality	—	1.1	(1.1)	(100.0)	—	—	—
Supplies and materials	34.5	114.9	(22.0)	(19.1)	92.9	4.6	97.5
Furniture and equipment	65.7	61.5	23.5	38.2	85.0	5.0	90.0
Total	**7 529.2**	**9 518.6**	**(401.6)**	**(4.2)**	**9 117.0**	**328.5**	**9 445.5**

Table IS3.16 **Post requirements**

Category	*Established regular budget posts*		*Temporary posts*				*Total*	
			Regular budget		*Extrabudgetary*			
	2008-2009	*2010-2011*	*2008-2009*	*2010-2011*	*2008-2009*	*2010-2011*	*2008-2009*	*2010-2011*
Professional and above								
P-4/3	4	4	—	—	—	—	4	4
P-2/1	2	2	—	—	—	—	2	2
Subtotal	**6**	**6**	**—**	**—**	**—**	**—**	**6**	**6**
General Service								
Principal level	1	1	—	—	—	—	1	1
Other level	11	11	—	—	—	—	11	11
Subtotal	**12**	**12**	**—**	**—**	**—**	**—**	**12**	**12**
Total	**18**	**18**	**—**	**—**	**—**	**—**	**18**	**18**

IS3.46 The activities relating to servicing of visitors, including guided tours operations and briefing programmes, fall under the responsibility of the Department of Public Information. The objective is to promote an informed understanding of the purpose, role and work of the United Nations to the widest possible audience and to increase the visibility and viability of the United Nations Headquarters and the Offices at Geneva, Vienna and Nairobi as attractions for the general public and specialized groups.

IS3.47 The ability of the guided tour operations to generate revenue has been hampered for several years. Since 1993, heightened security measures at Headquarters, Geneva and Vienna have had adverse implications for the operation, as the maximum number of people per guide has been reduced. The events of 11 September 2001 had serious implications for the Headquarters complex, resulting in the curtailment of activities for several months due to frequent closings of the complex. It is foreseen that a number of external factors would greatly impact the financial performance of these operations at Headquarters, including: (a) the closure of the Conference (2009-2011) and General Assembly (2011-2013) buildings for renovation during the capital master plan operations; (b) the closure of the General Assembly Hall; (c) security or safety restrictions; and (d) fluctuations in tourism patterns and trends of the host city given the current global economic downturn. Below are actual and estimated attendance figures for the guided tour operations at Headquarters, Geneva and Vienna. The projections shown in table IS3.17 take into consideration the impact of the capital master plan operations at Headquarters.

Table IS3.17 **Actual and estimated number of tour participants**

	Headquarters	*Geneva*	*Vienna*
1990	496 229	144 210	71 250
1991	473 570	123 772	68 008
1992	474 430	113 955	69 159
1993	415 641	122 633	61 735
1994	389 610	114 594	59 334
1995	415 247	149 784	51 125
1996	420 370	111 979	50 371
1997	415 681	119 101	49 089
1998	431 241	120 394	47 816
1999	437 062	91 375	45 646
2000	388 421	82 217	40 231
2001	344 971	82 798	39 764
2002	284 508	80 943	45 311
2003	323 188	74 120	48 435
2004	360 175	78 405	50 136
2005	412 042	80 703	47 303
2006	436 755	92 987	49 090
2007	444 566	93 676	48 052
2008	306 561	100 000	50 941
2009 (estimate)	333 320	95 000	51 195
2010 (estimate)	361 640	95 000	51 450
2011 (estimate)	361 640	95 000	51 707

Headquarters

IS3.48 In line with current trends of increases in ticket prices in the tourism industry of the host city, an increase in ticket prices is planned for each year of the biennium 2010-2011 for all categories of visitors taking the guided tour at Headquarters. Admission fees for 2010 will be as follows: adults $17.00; senior citizens and students $10.00; and children $9.50. For 2011, fees will be as follows: adults $18.00; senior citizens and students $11.00; and children $10.00. Even with the estimated increases in admission fees, the price of the guided tour of the United Nations continues to be less expensive than most attractions in the host city and, unlike those attractions, offers groups of visitors the services of a guide who can explain and address questions in several languages. The guides can also tailor the visit to the needs and interests of visitors.

IS3.49 The guided tour operation would also include an audio tour option for visitors. A vendor who would provide audio tours is currently being identified through the procurement process. This product, expected to be available in the six official languages of the United Nations and the American sign language, would allow more visitors (estimated at 108,560 per year) to be escorted for a tour of the United Nations Headquarters, and reopen the tour operation for seven days a week instead of current five days a week.

Geneva

IS3.50 At the United Nations Office at Geneva, measures introduced by the Visitors' Service during the biennium 2004-2005, such as the acceptance of payment in euros, increasing advertisements in the host city maps and public places and direct mailings to increase the number of school visits, combined with the opportunity to optimize and integrate the tour and bookshop operations, has yielded positive results. Over the last three years, the number of tour participants has increased to

the highest volume of visitors since 1998. However, this trend experienced a relative slowing down during the second part of 2008.

Vienna

IS3.51 At Vienna, approximately 50,000 persons take a guided tour of the Vienna International Centre each year. More than 10 per cent of them participate in a lecture or briefing programme in addition to the guided tour. Visitor numbers are currently following an upward trend since the year 2005, despite a number of adverse factors, such as increased security measures and a significant curtailment of the guided tour route following the asbestos removal construction in the Vienna International Centre for most of 2008.

Nairobi

IS3.52 By General Assembly resolution 60/248, the Secretary-General was requested to organize a guided tour operation at the United Nations Office at Nairobi and to report thereon in the context of the budget performance reports. Given the ongoing construction, no assumption could be made on the estimated number of tour participants visiting the United Nations Office at Nairobi complex. Required provisions for the guided tours operation, including a P-2 post and general temporary assistance resources are made in the current proposals to establish the office, plan, design, and arrange the tour operations. Given the above reasons, revenues have not been estimated and, as such, are currently shown as zero.

Outputs

IS3.53 During the biennium 2010-2011, the following outputs will be delivered: other substantive activities:

(a) Organization and conducting guided lecture tours, including the design concept of permanent exhibits for the tour route, for visitors to the United Nations Headquarters and the United Nations Offices at Geneva, Vienna and Nairobi in approximately 20 languages;

(b) Organization of briefing programmes on various United Nations issues for visiting groups;

(c) Organization of speaking engagements away from Headquarters by Secretariat officials in response to requests from academic institutions, non-governmental organizations and other interested groups;

(d) Organization of videoconferences linking groups away from Headquarters with Secretariat and delegation officials at Headquarters.

Resource requirements (before recosting)

Posts

IS3.54 The provision of $4,054,500 reflecting a decrease of $792,400 would provide for salaries and common staff costs relating to the continuation of the 18 posts in the public services units of the Department of Public Information at Headquarters, Geneva, Vienna and Nairobi, and related staff assessment. The decrease of $792,400 reflects the net effect of: (a) the delayed impact of a new P-2 post approved for Nairobi in the biennium 2008-2009; and (b) the estimated savings associated with the planned temporary freezing of one Professional and three General Service posts during the biennium at Headquarters, given the anticipated reduction in the level of activities due to ongoing renovation.

Other staff costs

IS3.55 The provision of $4,561,300, reflecting an increase of $495,500, would cover the costs of: (a) salaries of 24 full-time public information assistants/guides, 1 senior tour coordinator, and

3 tour coordinators at Headquarters; and (b) the tour guides on contracts on an hourly basis at Geneva and Vienna, and a tour guide assistant in Nairobi. The increase of $495,500 relates to conversion of contracts under agreements for occasional employment into fixed-term general temporary assistance positions.

Travel of staff

IS3.56 The provision of $28,200 would cover the travel for consultation with visitors' services at Geneva and Vienna and especially for Nairobi in connection with the planning and organization of a visitors' service at the United Nations Office at Nairobi.

Contractual services

IS3.57 The provision of $254,900, reflecting a decrease of $102,100, would provide for the cost of publicizing and promoting visits to the United Nations locations, including the printing of pamphlets, brochures and other information material, advertising in travel and tourism publications, information technology services, and updating United Nations exhibits. The decrease of $102,100 reflects the past pattern of expenditure.

General operating expenses

IS3.58 The provision of $40,200 would provide for maintenance of office automation equipment, cash registers, video players and monitors, miscellaneous services, such as framing and mounting panels along exhibit routes, and maintenance of hand-held devices used by tour guides.

Supplies and materials

IS3.59 The provision of $92,900, reflecting a decrease of $22,000, would provide for office supplies and materials and the replacement of guides' uniforms. The decrease of $22,000 reflects the adjustment made based on the past pattern of expenditure.

Furniture and equipment

IS3.60 The provision of $85,000, reflecting an increase of $23,500, would provide for the replacement of electronic data processing equipment, and public information equipment, such as audio-visual equipment and television panels, at Headquarters, Geneva, Vienna and Nairobi. The increase reflects estimated additional requirements based on the condition of inventory and the replacement anticipated based on replacement cycle.

4. Revenue services of the Department of Economic and Social Affairs

Table IS3.18 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2008-2009 approved estimates	*2010-2011 estimates*	*2010-2011 increase (decrease)*
Statistics			
Gross revenue	1 332.6	1 450.0	117.4
Less expenses against revenue	778.6	886.4	107.8
Net revenue	554.0	563.6	9.6

	2008-2009 approved estimates	2010-2011 estimates	2010-2011 increase (decrease)
Population			
Gross revenue	50.0	50.0	—
Less expenses against revenue	15.0	39.5	24.5
Net revenue	35.0	10.5	(24.5)
Total gross revenue	1 382.6	1 500.0	117.4
Less total expenses against revenue	793.6	925.9	132.3
Total net revenue	**589.0**	**574.1**	**(14.9)**

Table IS3.19 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Object of expenditure	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
Other staff costs	336.1	396.6	—	—	396.6	19.2	415.8
Consultants and experts	23.6	—	—	—	—	—	—
Travel of staff	167.8	150.1	24.5	16.3	174.6	8.5	183.1
Contractual services	—	3.8	18.8	494.7	22.6	1.2	23.8
General operating expenses	5.4	2.7	—	—	2.7	—	2.7
Supplies and materials	1.9	5.3	(2.5)	(47.2)	2.8	—	2.8
Furniture and equipment	27.3	96.1	(27.2)	(28.3)	68.9	3.4	72.3
Grants and contributions	148.0	139.0	76.0	54.7	215.0	10.4	225.4
Total	**710.1**	**793.6**	**89.6**	**11.3**	**883.2**	**42.7**	**925.9**

IS3.61 During the biennium 2010-2011, the sales activities of the Department of Economic and Social Affairs under this section will complement the work of subprogrammes 5, Statistics, and 6, Population, of programme 7, Economic and social affairs, of the strategic framework for the period 2010-2011. The activities will aim at: (a) maintaining a high level of quality and coverage of the various databases of the Statistics Division, including the Comtrade and industrial statistics databases, the classifications registry and other databases of the Division; (b) assisting developing countries and countries with economies in transition to improve the quality, availability and dissemination of their official statistics for inclusion in databases of the Division; (c) allowing the participation of government statisticians in training and expert group meetings on various issues related to quality, availability and dissemination of data; and (d) improving the timeliness and content of subsequent editions of digital products through improved methodologies, data analyses, and the use of demographic software applications and databases. The activities are expected to be self-supporting from revenues generated by sales of statistical publications, statistical and demographic data, software packages and services.

Resource requirements (before recosting)

Other staff costs

IS3.62 The provision of $396,600 would cover general temporary assistance requirements and related staff assessment for 48 work-months of General Service (Other level) staff positions to provide

secretarial and administrative support, and to assist in promoting the work and publications of the Statistics Division and of Comtrade through the Internet and other means.

Travel of staff

IS3.63 The provision of $174,600 is required to cover the cost of travel of staff of the Department of Economic and Social Affairs, as follows:

(a) Statistics Division: (i) travel to attend meetings organized by the regional commissions and by other international organizations, including expert group meetings on international trade, industry statistics and international economic and social classifications, and related statistics, and bilateral meetings with the Statistics Division's partners, such as the Organization for Economic Cooperation and Development, the European Commission, the World Trade Organization, and the International Monetary Fund, which aim at coordinating and furthering the statistical work on quality, availability and dissemination of data; (ii) travel for consultations with other agencies and institutions on statistical data, databases and products; and (iii) travel to attend workshops and seminars, conduct training for, and provide organizational support for statistical workshops, held in developing countries and countries with economies in transition;

(b) Population Division: travel for consultations with experts to improve analytical studies on levels, trends and policies, the quality and comprehensiveness of the Division's databases and web-offerings, including participation at the working sessions of the Committee for the Coordination of Statistical Activities, whose work is related to the revenue producing activities of the Division.

IS3.64 The increase of $24,500 relates to the anticipated increase in travel of staff to attend various training workshops, as well as regional meetings, in view of the expected adoption of the new international recommendations of international merchandise trade statistics at the forty-first session of the Statistical Commission in February 2010, which in turn would lead to an increase in the capacity development activities in the area of trade statistics of the Statistics Division during the biennium 2010-2011.

Contractual services

IS3.65 The provision of $22,600 is required to cover the cost of maintenance and support of office automation equipment, including the Local Area Network technical infrastructure, the Integrated Management Information Service, e-mail and other electronic services; and specialized services to assist the Population Division to enhance its online distribution of electronic databases and interactive digital products. The increase of $18,800 relates to required improvement of the online distribution system.

General operating expenses

IS3.66 The provision of $2,700 is required to cover the cost of communications, including telephone, and other charges such as for mailing documents, DVDs and CD-ROMs for datasets for customers.

Supplies and materials

IS3.67 The provision of $2,800 would cover the costs of expendable office supplies and materials, including paper and stationery, and electronic data and word processing supplies, including ink cartridges, disks, cases, mailing labels and envelopes. The decrease of $2,500 reflects the current expenditure pattern.

Furniture and equipment

IS3.68 The provision of $68,900 is required for: (a) the replacement of office automation equipment, including a server, a storage area network, backup storage drives, workstations and printers, and a CD/DVD publisher equipment, all of which have reached their end of useful life; and (b) the acquisition of database and web development tools, a Stata 2-processor to assist in the implementation of new methodologies and developing custom demographic software, and acquisition of licenses for an Adobe Creative Suite software to enhance websites. The decrease of $27,200 reflects the replacement and acquisition requirements based on the condition of the equipment.

Fellowships, grants and contributions

IS3.69 The provision of $215,000 would cover the cost of organizing and conducting workshops to assist developing countries and countries with economies in transition to improve the quality, availability and dissemination of their official statistics for inclusion in the databases of the Statistics Division, including the Comtrade database, the database on industrial statistics, the classifications registry and other databases. Specifically, the provision would cover: (a) the participation of national statisticians in regional training workshops on issues related to data quality, availability and dissemination; and (b) study visits and on-the-job training for national statisticians from developing countries and countries with economies in transition to upgrade and strengthen their knowledge and skills in the area of statistics and to develop regional and international statistical networks. The increase of $76,000 relates to study tours and on-the-job training for national statisticians from developing countries and countries with economies in transition to upgrade and strengthen their knowledge and skills, which is a new component of activities aimed at national capacity-building and developing regional and international statistical networks.

5. Sale of gift items

Table IS3.20 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2008-2009 approved estimates	*2010-2011 estimates*	*2010-2011 increase (decrease)*
Headquarters gift shop			
Gross revenue	1 000	500.4	(499.6)
Less expenses against revenue	—	—	—
Total net revenue	**1 000**	**500.4**	**(499.6)**

IS3.70 The gift shop at Headquarters provides staff, members of delegations in New York and visitors with United Nations mementos and souvenirs, as well as handicrafts and other souvenirs from around the world. The gift shop at Headquarters is operated by a contractor who is required to provide the United Nations with a percentage of gross sales.

IS3.71 The decrease of $499,600 in gross revenue relates to the anticipated commencement of the capital master plan operations in Headquarters, which will negatively affect the operations of the gift shop during the biennium 2010-2011, when the General Assembly Concourse will be closed for renovations.

IS3.72 In the context of the report of the Secretary-General on the possibility of operating guided tours, bookstores and gift shops at the United Nations Office at Nairobi and the cost implications thereof (A/59/793), it was expected that a gift shop would be operated as a self-sustained commercial operation, run on a full cost-recovery basis. While this activity continues to be proposed, the timeline for its commencement has been postponed owing to the delay in the completion of the construction of the new off-site building for commercial operations at the United Nations Office at Nairobi. Given the current stage of construction, it has not been possible, at this time, to ascertain the scale of the gift shop, and consequently the scope of its operations. Therefore, the preparation of a meaningful programme budget for the gift shop at the United Nations Office at Nairobi for the biennium 2010-2011 was not feasible at this stage.

6. News-stand operations

Table IS3.21 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2008-2009 approved estimates	*2010-2011 estimates*	*2010-2011 increase (decrease)*
Revenue	68.0	40.2	(27.8)
Total	**68.0**	**40.2**	**(27.8)**

IS3.73 The news-stand, located in the Secretariat building, provides delegations and staff with newspapers, magazines and sundry items and is operated by a concessionaire. Under the current agreement, the contractor pays the United Nations $40,200 yearly and 15 per cent of gross receipts above $700,000. However, gross receipts have not at any point reached a commissionable threshold triggering the payment of commissions.

IS3.74 The renovation of the Secretariat building is expected to impact negatively news-stand operations with the progressive relocation of staff from the Secretariat to other office spaces outside of the United Nations complex. Furthermore, income from the sale of tobacco products has ceased following the implementation of resolution 63/8, by which the General Assembly decided to implement a complete ban on smoking at United Nations Headquarters indoor premises and on sales of tobacco at United Nations premises. Consequently, the income from this activity is expected to decline during the biennium 2010-2011. This reduction is estimated in the amount of $27,800.

7. Garage operations

Table IS3.22 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2008-2009 approved estimates	*2010-2011 estimates*	*2010-2011 increase (decrease)*
Headquarters			
Gross revenue	2 122.2	1 300.0	(822.2)
Less expenses against revenue	978.7	1 017.4	38.7
Net revenue	1 143.5	282.6	(860.9)

	2008-2009 approved estimates	2010-2011 estimates	2010-2011 increase (decrease)
Geneva			
Gross revenue	501.0	510.8	9.8
Less expenses against revenue	435.4	544.0	108.6
Net revenue	65.6	(33.2)	(98.8)
Bangkok			
Gross revenue	81.8	83.0	1.2
Less expenses against revenue	66.0	60.8	(5.2)
Net revenue	15.8	22.2	6.4
Total gross revenue	2 705.0	1 893.8	(811.2)
Less total expenses against revenue	1 480.1	1 622.2	142.1
Total net revenue	**1 224.9**	**271.6**	**(953.3)**

Table IS3.23 Summary of requirements by object of expenditure

(Thousands of United States dollars)

Object of expenditure	2006-2007 expenditure	2008-2009 appropriation	Resource growth		Total before recosting	Recosting	2010-2011 estimate
			Amount	Percentage			
Posts	899.7	1 273.2	—	—	1 273.2	37.0	1 310.2
Other staff costs	34.2	24.1	—	—	24.1	1.2	25.3
General operating expenses	183.7	227.8	(8.2)	(3.6)	219.6	11.1	230.7
Supplies and materials	29.4	53.7	(0.3)	(0.6)	53.4	2.6	56.0
Total	**1 147.0**	**1 578.8**	**(8.5)**	**(0.5)**	**1 570.3**	**51.9**	**1 622.2**

Table IS3.24 Post requirements

Category	Established regular budget posts		Temporary posts				Total	
			Regular budget		Extrabudgetary			
	2008-2009	2010-2011	2008-2009	2010-2011	2008-2009	2010-2011	2008-2009	2010-2011
General Service								
Other level	4	4	—	—	—	—	4	4
Subtotal	**4**	**4**	—	—	—	—	**4**	**4**
Other								
Security Service	2	2	—	—	—	—	2	2
Subtotal	**2**	**2**	—	—	—	—	**2**	**2**
Total	**6**	**6**	—	—	—	—	**6**	**6**

IS3.75 The garage operations at Headquarters, Geneva and Bangkok provide parking facilities for delegates and staff under conditions and at rates established by the United Nations.

Resource requirements (before recosting)

Posts

IS3.76 The provision of $1,273,200 would provide for the continuation of four posts, including two General Service (Other level) and two Security Service posts at Headquarters, and two General Service (Other level) posts at Geneva, the incumbents of which are responsible for the issuance of parking permits and decals, for the maintenance of databases of permit holders and applicants from both the permanent missions of Member States and the staff, and for the patrolling of the garage premises. The provision would cover the salaries and common staff costs, as well as staff assessment relating to the four posts.

Other staff costs

IS3.77 The provision of $24,100 is required for overtime for the Garage Administration at Headquarters to meet extended working requirements, in particular during the sessions of the General Assembly.

General operating expenses

IS3.78 The provision of $219,600, reflecting a minor decrease of $8,200, is required for outside contractors to carry out miscellaneous maintenance services, including, inter alia, general repairs, floor markings, signs, resurfacing of damaged parking areas, and replacement of lighting fixtures, required in the garage operation at Headquarters ($164,300) and in Bangkok ($55,300).

Supplies and materials

IS3.79 The provision of $53,400 is required for supplies and materials for the garage operations at Headquarters ($51,200) and at Bangkok ($2,200), including parking tickets, receipts, stickers and specialized laminated supplies.

8. Catering operations

Table IS3.25 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2008-2009 approved estimates	*2010-2011 estimates*	*2010-2011 increase (decrease)*
Catering, Headquarters			
Gross revenue	1 496.3	609.3	(887.0)
Less expenses against revenue	1 464.0	971.0	(493.0)
Net revenue	32.3	(361.7)	(394.0)
ESCAP cafeteria			
Gross revenue	93.8	10.6	(83.2)
Less expenses against revenue	80.8	10.6	(70.2)
Net revenue	13.0	—	(13.0)
Total gross revenue	1 590.1	619.9	(970.2)
Less total expenses against revenue	1 544.8	981.6	(563.2)
Total net revenue	**45.3**	**(361.7)**	**(407.0)**

Table IS3.26 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Object of expenditure	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
Posts	313.7	428.1	—	—	428.1	20.9	449.0
Other staff costs	206.1	158.1	—	—	158.1	7.7	165.8
Consultants and experts	1.8	—	—	—	—	—	—
General operating expenses	961.0	929.2	(585.5)	(63.0)	343.7	16.8	360.5
Furniture and equipment	—	29.4	(23.4)	(79.6)	6.0	0.3	6.3
Total	**1 482.6**	**1 544.8**	**(608.9)**	**(39.4)**	**935.9**	**45.7**	**981.6**

Table IS3.27 **Post requirements**

Category	*Established regular budget posts*		*Temporary posts*				*Total*	
			Regular budget		*Extrabudgetary*			
	2008-2009	*2010-2011*	*2008-2009*	*2010-2011*	*2008-2009*	*2010-2011*	*2008-2009*	*2010-2011*
Professional category and above								
P-4/3	1	1	—	—	—	—	1	1
Total	**1**	**1**	**—**	**—**	**—**	**—**	**1**	**1**

IS3.80 The income under this heading at Headquarters is generated by the 15 per cent commission on the revenues of the contractor in charge of the catering operations. The current contract for catering operations at Headquarters expires in October 2009 with no option to extend further. The Office of Central Support Services is in the process of initiating the bidding process, but it is expected that, owing to the impact of the capital master plan operations, vendors may not find a catering contract with the United Nations attractive during the construction period. In the situation, it is possible that the Organization would have to negotiate with the current food service provider to continue to provide cafeteria services to the Secretariat, DC1 building and UNICEF cafeterias. Further, owing to the capital master plan operations, the contractor's income from the Secretariat cafeteria would be negatively impacted. From November 2009 onward, the restrictions arising from the capital master plan operations in the premises will result in the closure of the operation of the Staff Café, and the Delegates Dining Room, which are the main profit centres for the contractor, and which provide commissioned income at the rate of 15 per cent to the United Nations. It is, therefore, unlikely that the United Nations would receive any commission during the biennium 2010-2011.

IS3.81 The catering service at ESCAP is a self-supporting activity and provides catering services to staff, delegates and participants in non-United Nations meetings and conferences held at the ESCAP premises. It generates incidental income which has been declining. In view of the observed downward trend in the actual income, ESCAP is reviewing the business model for catering services and is planning to restructure the catering operations.

Resource requirements (before recosting)

Posts

IS3.82 The amount of $428,100 would provide for salaries and common staff costs, as well as staff assessment for one P-4 post in the Office of Central Support Services at Headquarters to provide oversight and administrative support to the catering operation, as well as to other income-producing activities such as the gift centre and news-stand operations.

Other staff costs

IS3.83 The provision of $158,100 is required to cover general temporary assistance to administer and monitor the catering contract in the Office of Central Support Services at Headquarters, including monitoring service qualities, addressing complaints, invoicing and payments, and coordinating with various parties and preparing for the catering and other facilities during closures and refurbishment of premises during their renovations.

General operating expenses

IS3.84 The provision of $343,700 is required to cover the cost of utilities for catering operations at Headquarters, and for the cost of maintenance of United Nations-owned kitchen equipment in ESCAP. The decrease of $585,500 reflects the anticipated impact of the capital master plan project on the catering operation and corresponding decrease in requirement for utilities.

Furniture and equipment

IS3.85 The provision of $6,000 would provide for spare parts for kitchen equipment in the ESCAP cafeteria.

9. Other commercial operations

Table IS3.28 **Estimates of gross and net revenue**

(Thousands of United States dollars)

	2008-2009 approved estimates	*2010-2011 estimates*	*2010-2011 increase (decrease)*
Vienna commercial activities			
Gross revenue	87.0	87.0	—
Less expenses against revenue	79.5	77.3	(2.2)
Net revenue	7.5	9.7	2.2
ECA Conference Centre			
Net revenue	432.7	489.4	56.7
ESCAP Conference Centre			
Gross revenue	700.0	700.0	—
Less expenses against revenue	629.3	688.9	59.6
Net revenue	70.7	11.1	(59.6)
Total gross revenue	1 219.7	1 276.4	56.7
Less total expenses against revenue	708.8	766.2	57.4
Total net revenue	**510.9**	**510.2**	**(0.7)**

Table IS3.29 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Regular budget

Object of expenditure	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
Other staff costs	183.0	438.2	48.5	11.1	486.7	21.8	508.5
Consultants and experts	—	24.5	(24.5)	(100.0)	—	—	—
Travel of staff	4.6	12.4	—	—	12.4	0.6	13.0
Contractual services	55.8	13.6	23.6	173.5	37.2	1.0	38.2
General operating expenses	45.8	74.9	(11.6)	(15.5)	63.3	3.7	67.0
Supplies and materials	26.8	24.5	(3.1)	(12.7)	21.4	1.2	22.6
Furniture and equipment	275.3	120.7	(10.0)	(8.3)	110.7	6.2	116.9
Improvement of premises	60.9	—	—	—	—	—	—
Total	**652.2**	**708.8**	**22.9**	**3.2**	**731.7**	**34.5**	**766.2**

IS3.86 United Nations promotions and exhibits, a coffee shop, a hairdresser and a flower shop occupy space at the main entrance of the Vienna International Centre. The coffee shop, hairdresser and flower shop are administered by the United Nations and operated by contractors. The contractors reimburse the United Nations for all utility costs and also pay a fixed annual fee to the United Nations Office at Vienna.

IS3.87 The other component under this heading relates to the ESCAP and ECA conference centres. For the biennium 2010-2011, the total gross revenue of the ESCAP conference centre is estimated at $700,000, resulting from the rental of the conference centre to other organizations. The estimated expenses of $688,900 would cover the centre's maintenance costs in a proportion relating to rental activities. Gross revenue resulting from the rental of the conference centre at ECA is estimated at $489,400. The maintenance costs of the ECA centre are budgeted under section 17, Economic and social development in Africa.

Resource requirements (before recosting)

Other staff costs

IS3.88 The provision of $486,700, reflecting an increase of $48,500, would cover the costs associated with administration of the commercial contracts for the operations described above, including: (a) general temporary assistance ($54,400) for a part-time General Service (Other level) staff position in Vienna who monitors the contracts and provides assistance for commercial operations; (b) general temporary assistance equivalent to two Local level positions for administrative support activities related to the rental of the conference centre in Bangkok; temporary staff in Bangkok providing assistance to exhibition-related activities and audio-visual arrangements, and overtime and night time differential expenses incurred by security officers and temporary staff in Bangkok ($393,100); and (c) the related staff assessment ($39,200). The increase of $48,500 reflects the additional administrative and logistics support required for the increasing number of meetings and use of conference rooms in Bangkok following the conversion of three medium-size meeting rooms into flexible, multi-purpose and multifunction meeting rooms.

Travel of staff

IS3.89 The provision of $12,400 would cover the travel of staff to attend regional meetings with a view to promoting the ESCAP conference centre.

Contractual services

IS3.90 The provision of $37,200, reflecting an increase of $23,600, would cover the cost of advertising and promotion of the Vienna International Centre, and wireless Internet connection for conference rooms as well as bus transfer service for users of conference rooms in Bangkok. Owing to security requirements, parking at the ESCAP garage for non-United Nations users of conference rooms is not available. The increase of $23,200 reflects the requirement of ESCAP for wireless Internet connection and bus transfer service.

General operating expenditures

IS3.91 The provision of $63,300 is for the ESCAP operation and would provide for maintenance of premises; utilities; rental of equipment; communications, including the rental and utilization of telephone lines; maintenance of equipment; and other miscellaneous operating requirements at the conference centre in Bangkok. The decrease of $11,600 reflects expenditure pattern under utilities and maintenance of furniture and equipment.

Supplies and materials

IS3.92 The provision of $21,400 in ESCAP would provide for general stationery and office supplies for non-ESCAP meetings, public information supplies such as information kits, booklets, leaflets, promotional videos and other materials.

Furniture and equipment

IS3.93 The provision of $110,700, reflecting a decrease of $10,000 would provide for acquisition and/or replacement of meeting chairs, tables, a stage and rostrum, podiums, mobile interpretation/sound control booths, mobile microphone units, wireless simultaneous interpretation system equipment and receivers for the new multi-purpose and multifunction rooms for the ESCAP conference centre. The decrease of $10,000 reflects the condition of inventory and replacement schedule anticipated for the biennium.

B. Programme support

Revenue Accounts Unit

Table IS3.30 **Summary of requirements by object of expenditure**

(Thousands of United States dollars)

Object of expenditure	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
Posts	783.1	762.9	—	—	762.9	37.3	800.2
Total	**783.1**	**762.9**	—	—	**762.9**	**37.3**	**800.2**

Table IS3.31 **Post requirements**

Category	Established regular budget posts		Temporary posts				Total	
			Regular budget		Extrabudgetary			
	2008-2009	2010-2011	2008-2009	2010-2011	2008-2009	2010-2011	2008-2009	2010-2011
Professional and above								
P-4/3	1	1	—	—	—	—	1	1
Subtotal	**1**	**1**	—	—	—	—	**1**	**1**
General Service								
Other level	2	2	—	—	—	—	2	2
Subtotal	**2**	**2**	—	—	—	—	**2**	**2**
Total	**3**	**3**	—	—	—	—	**3**	**3**

Resource requirements (before recosting)

Posts

IS3.94 The provision of $762,900 would be required for the continuation of the three posts (1 P-4, 2 General Service (Other level)) in the Accounts Division of the Office of Programme Planning, Budget and Accounts that are responsible for revenue accounting and reporting. The provision would cover the salaries and common staff costs, as well as related staff assessment.

Table IS3.32 **Summary of follow-up action taken to implement the relevant recommendations of the oversight bodies**

Brief description of the recommendation	Action taken to implement the recommendation
Advisory Committee on Administrative and Budgetary Questions (62/7 and Corr.1)	
The Committee is of the view that the related requirements for consultants should be accommodated through redeployment of resources under section 9 of the programme budget (para. IS3.12).	No requirements for consultants have been proposed for the biennium 2010-2011. All core activities in connection with the maintenance of the Comtrade database will be arranged from resources budgeted under section 9 of the programme budget.
Advisory Committee on Administrative and Budgetary Questions (A/61/480 and A/63/568)	
The Advisory Committee sees merit in the Secretary-General's proposal to create a reserve for contingent liabilities for postal services for previously issued United Nations Postal Administration stamps (A/61/480, para. 8). Accordingly, the Committee recommends that the General Assembly request the Secretary-General to explore the feasibility of issuing	Subsequent to the consideration of the recommendation and decision thereon by the General Assembly, the Secretary-General submitted several reports to the Assembly. On basis of the proposals of the Secretary-General contained in the latest report on the matter (A/63/320) and the recommendations of the Advisory Committee, the General Assembly

Brief description of the recommendation	*Action taken to implement the recommendation*
[value-added] stamps for the purpose of establishing a reserve for contingent liabilities (A/63/568, para. 8).	decided not to create a contingent liability reserve for postal services (resolution 63/268 (I)).
Report of the Board of Auditors (A/61/5, vol. I, chap. II)	
The United Nations Postal Administration agreed with the Board's recommendation that it revisit its policy on the destruction and disposition of off-sale stamps (para. 484).	The new policy on destruction and disposition of off-sale stamps will be included in the revised Procedures Manual on which the United Nations Postal Administration is currently working in consultation with the Office of Programme Planning, Budget and Accounts and the Property Survey Board. The United Nations Postal Administration will ensure that the policy is consistent with the United Nations Financial Regulations and Rules and will also comply with International Public Sector Accounting Standards requirements.
The Administration agreed with the Board's recommendation that it issue an administrative instruction concerning United Nations Garage operations and correspondingly update the Garage Administration procedures manual (para. 502).	The administrative instruction has been revised and was approved by the Garage Review Board in June 2008. However, the capital master plan activities are impacting the garage operations, affecting parking availability, access rights and security considerations, which will require further changes to the administrative instruction and the procedures manual.